

Project Business Case

Project Name: National Provider Identifier

Project Short Name: NPI

Agency: Department of Human Services

Business Unit/Program Area: Medical Services

Type of Project: Major enhancement/upgrade

Date: 5/3/06

Version: 4

Project Description:

This project is to accept the new National Provider Identifier (NPI) by updating the current Medicaid Management Information System (MMIS). Updates to related systems will be completed under separate projects (i.e. VR and Scanner changes). Communication of the new processes with required providers will also need to occur.

Business Need/Problem:

Eligible healthcare providers submit Medicaid claims to the Department of Human Services (DHS) Medical Services division for payment. Medicare crossover claims are received by DHS Medical Services through clearinghouses. They submit these claims electronically or on paper and currently use a Medicaid Legacy number to identify the provider.

The National Provider Identifier (NPI) was established by Congress to identify healthcare providers in all standard transactions, therefore eliminating the need for multiple legacy numbers, (i.e. UPIN, Blue Cross and Blue Shield Numbers, CHAMPUS Number, Medicaid Number, etc). This will allow all providers to use one number when submitting claims rather than having and using multiple identifiers for multiple payers. Healthcare providers will be required to submit claims using only the NPI by May 23, 2007. The Centers for Medicare and Medicaid Services (CMS) are overseeing the Identification system and they have ruled that waivers will not be granted to extend the compliance date.

The MMIS must be able to match this new identifier with the Medicaid Legacy Provider Numbers currently in use. The NPI will need to be used when returning information to providers, vendors and other agencies rather than using the Medicaid Legacy Provider Number.

Solution (as described in Proposed Solution):

The project will modify the existing system to accept the NPI and include it on outbound information. The modifications will be done in such a way as to not hinder future application changes. A cross walk will be used to accept the NPI and process it through the current system until a rewrite of the MMIS is completed.

The system will need to be able to accept the NPI or the Medicaid Legacy Provider Number by October 2, 2006 and accepting only the NPI by May 23, 2007. The NPI will be a unique ten digit numeric identifier, with an International Standard Organization (ISO) check-digit in the 10th position.

A coalition will be formed and spearheaded by the Department of Human Services (DHS). This coalition will share information in regard to the NPI processes and guidelines. It will also be a forum for questions and answers.

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Consistency/Fit with Organization's Mission:

The mission of DHS is to provide quality, efficient and effective human services, which improve the lives of people. This project supports DHS's mission by simplifying the claim submission process by only having one number for each provider. Congress established the National Provider Identifier with the intent to make processing claims between all payers a simpler process by updating the current healthcare identification process. Modifying the existing system will allow DHS to accept the NPI and process claims as they are at the present time.

Goals/Benefits:

- Comply with federal guidelines
- Simplify the submission of claims

Cost:

The one time cost for this project is estimated to be between \$300,000 and \$400,000.

Funds will be available from the MMIS maintenance budget made available due to the delay of the MMIS rewrite.

Project Risks:

Risk: Not completing the development in time due to potential of lack of personnel or loss of critical staff members

Risk: Providers not complying with the NPI guidelines

Risk: Intended funding source may not be approved.